

**Amendment No. 1 to SB0002**

**Ketron  
Signature of Sponsor**

**FILED**

Date \_\_\_\_\_

Time \_\_\_\_\_

Clerk \_\_\_\_\_

Comm. Amdt. \_\_\_\_\_

**AMEND Senate Bill No. 2\***

**House Bill No. 1033**

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 67-5-705, is amended by deleting the section in its entirety and by substituting instead the following:

(a) The legislative body of any county or municipality may provide by resolution or ordinance that:

(1) Any taxpayer who is sixty-five (65) years of age or older and who owns residential property as the taxpayer's principal place of residence shall pay taxes on such property in an amount not to exceed the maximum amount of tax on such property imposed at the time the ordinance or resolution is adopted;

(2) Any taxpayer who reaches the age of sixty-five (65) after the time the ordinance or resolution is adopted, who owns residential property as the taxpayer's principal place of residence shall thereafter pay taxes on such property in an amount not to exceed the maximum amount of tax on such property imposed in the tax year in which such taxpayer reaches age sixty-five (65); and

(3) Any taxpayer who is sixty-five (65) years of age or older who purchases residential property as the taxpayer's principal place of residence after the taxpayer's sixty-fifth birthday shall pay taxes in an amount not to exceed the maximum amount of tax imposed on such property in the tax year in which such property is purchased.

(b) Whenever the full market value of such property is increased as a result of improvements to such property after the time the ordinance or resolution is adopted, then the assessed value of such property shall be adjusted to include

such increased value and the taxes shall also be increased proportionally with the value.

(c) A taxpayer or taxpayers who own residential property as their principal place of residence shall not be eligible to receive the tax relief provided pursuant to subsection (a) or (b) if their total or combined annual income from all sources exceeds the median household income level for persons sixty-five (65) to seventy-four (74) years of age who reside within the county in which such residential property is located, as determined by the most recent federal decennial census which shall, until the next succeeding federal decennial census, be annually adjusted by the comptroller of the treasury to reflect changes in the consumer price index (all items - United States city average) as published by the United States department of labor. The adjusted median household income level for each county shall be published on the official web site of the comptroller of the treasury.

(d) Any such local program of property tax relief shall conform to such uniform definitions, application requirements, income verification procedures, and other necessary or desirable policies or procedures as shall be prescribed for such local programs by rules promulgated by the comptroller of the treasury. All such rules shall be promulgated in accordance with the provisions of the uniform administrative procedures act, Tennessee Code Annotated, Title 4, Chapter 5. The comptroller of the treasury is authorized to perform application processing, income verification or other related services or assistance at the request of a county or municipality if the county or municipality agrees to pay fees sufficient to reimburse the actual costs of the comptroller in providing such services or assistance.

(e) Financial records filed for purposes of income verification shall be confidential and shall not be subject to inspection under the open records act, but

shall be available to local or state officials who administer or enforce the provisions of this act or requirements imposed pursuant thereto.

(f) By resolution or ordinance, the legislative body of any county or municipality may provide for termination of its program of property tax relief; provided, however, such resolution or ordinance shall not have the effect of terminating the program for the tax year in which such resolution or ordinance is adopted.

(g) Any taxpayer, who knowingly provides false information concerning the taxpayer's income or other information relative to eligibility for any such local program of property tax relief, commits a Class A misdemeanor. Additionally, such taxpayer shall immediately repay to the county or municipality the full amount of any tax relief received as a result of such false information, plus an amount equal to the penalty and interest set forth pursuant to Tennessee Code Annotated, § 67-1-801.

SECTION 2. For purposes of developing policies and procedures and promulgating rules and regulations, this act shall take effect upon becoming a law, the public welfare requiring it. For all other purposes, this act shall take effect July 1, 2007.